



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2011 Biennium

<b>Bill #</b>	HB0251	<b>Title:</b>	Create FEMA fire reimbursement fund
<b>Primary Sponsor:</b>	Ankney, Duane	<b>Status:</b>	As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input type="checkbox"/> Needs to be included in HB 2  | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### Description of fiscal impact:

HB 251 establishes the Wildfire Suppression and Hazardous Fuels Mitigation Account. Revenue received from the Federal Emergency Management Agency (FEMA) as the result of a wildfire emergency must be deposited into the account and allocated for specific purposes.

### FISCAL ANALYSIS

#### Assumptions:

1. FEMA fire assistance grants are typically received two to three years after the close of a fire emergency declaration. The grant is reimbursement for costs incurred by the state for a specific fire meeting FEMA criteria.
2. FEMA reimbursements were \$8.1 million in FY 2007 and \$21.3 million in FY 2008. These funds are currently deposited in an existing federal special revenue fund. Under this bill, they would be deposited in the new federal special revenue fund. These funds were used to fund fire suppression costs.
3. For purposes of this fiscal note, it is assumed that these funds would continue to be used to offset general fund expenditures for wildfire suppression.
4. If these funds were not used to offset general fund expenditures for fire suppression there would be a dollar-for-dollar increase in general fund expenditures for every dollar spent on fuel reduction or mitigation.

5. For informational purposes, the estimated cost for mechanized fuel reduction and fire suppression activities as described in Section (1)(b) that references SB 113 is \$500,000 per year as a pilot program.
6. For information purposes, the estimated cost for fuels mitigation projects conducted by the Department of Natural Resources and Conservation (DNRC) as noted in Section (1)(c) is \$300,000 per year.

---

*Sponsor's Initials*

---

*Date*

---

*Budget Director's Initials*

---

*Date*